

NOEL BLANEY BOYD sworn and examined. (No. 30.)

1. *Mr. Kennedy.*] What is your occupation?—I am a director of Macduffs Ltd., and work in that business in Wellington.

2. You have been for many years in business in the Wellington Province?—Yes, about twenty-one years in retail grocery, wholesale grocery, and in my present fancy-goods business.

3. *Mr. Reardon.*] How many shops have you?—Two, both in Cuba Street.

4. *Mr. Kennedy.*] How long have you carried on the present business of Macduffs Ltd?—About four years in July this year.

5. You did not establish the business?—No; it was previously carried on by a man named Macduff.

6. What is the nature of the business?—Fancy-goods, grocery, merchandise, kitchen hardware, toilet requisites, and everything pertaining to the house except furniture and heavy items.

7. You do not supply provisions?—No, nothing that has to be weighed or packed in bags. We have soaps, of course, and starch and glue.

8. You do not sell edibles, except patent medicines?—That is so.

9. Your business is one in which you sell purely for cash?—Absolutely.

10. And you deliver no article except heavy hardware?—That is so.

11. You do not solicit orders by canvassing?—No.

12. Do you wrap up?—Yes, in ordinary thin wrapping-paper.

13. Have you in your business been able to reduce prices to your customers below those usually charged in this town?—Yes, in nearly every case.

14. Have you effected special economies in your business?—Yes; we work on the smallest possible overhead.

15. What is the method you adopt as your principle in business?—We work, in a system of an efficient staff. Everybody has to work, and we have the personal supervision of the business ourselves, and therefore we keep it at the least possible overhead.

16. Do you rely for your results on a large and quick turnover?—That is our object, of course. We rely absolutely on turnover.

17. Do you aim at selling all articles handled by you at lower than the customary prices?—Yes, the same as, or lower. There are cases in certain lines where the prices could not be reduced, because some of them are just about at cost; but we have never sold anything in our shop at cost or below cost.

18. What, however, do you do if you should be unfortunate enough to buy badly, or to have secured an article which is left on your shelves, and you wish to quit it at any price?—I do not call that selling at below cost. If we have a dead line, and it stays on the shelf for a long time, we quit it at a price at which the public will buy. It may be below our cost, but the real value is only what the public will give for it. Our motto is, "The first loss is always the best."

19. Apart from a clearance to quit stock that the public will not have at your price, you make it a rule to sell at above cost?—Yes.

20. A large number of articles which you deal in would be termed proprietary articles?—In our business I should class 70 per cent. of our lines as proprietary.

21. In the case of many articles sold by you is the price on the container fixed by the wholesaler or the manufacturer of the article?—Yes, in very many cases.

22. In other cases is there a nominated or tariff price?—Yes, there is.

23. And in other cases is there a controlled price?—Yes.

24. So that if you do not sell at that price you are put on a black-list and prevented from getting supplies?—Yes; we are on the black-list now, for Johnson's baby-powder, Palmolive soap, and Kolynos. I only heard two days ago that we have been debarred from Kolynos. With regard to Palmolive, one of their representatives approached us in 1924 and requested us to go on the wholesale list, and we did so, but we would not agree to their retail price, and they said, "So long as you do not put a ticket in the window on the article you can sell it at your price." I have the invoice, which I will put in.

25. *Mr. Myers.*] Was that Mr. Pilcher?—No, I do not think it was. My brother dealt with the representative.

26. *Mr. Kennedy.*] And so you agreed to keep the tickets out of the window?—Yes; and we still sold at 7½d., against the fixed price of 9d., and we did that with their permission.

27. *The Chairman.*] What was on the ticket?—Merely "Palmolive, 7½d." The control came into force and they asked us to raise our price to 9d. We refused, and by refusing we were taken absolutely off the wholesale list. We have had to get supplies through other channels and pay more for it. We do not mind that; the principle was the thing. We are out of those stocks at the moment.

28. You are unable to get them?—Yes, that is so.

29. The control of Johnson's baby-powder is so effective that you cannot get supplies of that?—No; but we have large stocks. We bought every available tin that we could get our hands on in Wellington when we heard that the control was going to come into force. We have 240 dozen at the present in stock, and we are not willing to raise the price from 1s. 2d. to 1s. 6d. That powder cost us 12s.—some a little less.

30. What are you selling it at?—1s. 2d. per tin.

31. And what is the figure at which the price has been fixed to the public by the manufacturers?—1s. 6d. per tin. Since the control has become effective the price from the wholesaler to the retailer has gone up. We used to buy as low as 11s. 5d., but it is now 12s. 5d. to buy at the best possible price.